DATE: August 11, 2004

TO: Angela Corbin, SCHIP Project Officer

FROM: Mary Kennedy, Medicaid Director

SUBJECT: Modifications to Terms and Conditions of Section 1115 Waiver Demonstration

CC: Doris Ross, CMS Region V, Minnesota Representative

Hye Sun Lee, CMS Region V, SCHIP Contact

Minnesota requests the following modifications to the Terms and Conditions of our SCHIP section 1115 demonstration:

Replace:

Attachment A Financial Requirements, Section 3

"Minnesota will be subject to a limit on the amount of Federal Title XXI funding that the state may receive on demonstration expenditures during the waiver period. Federal Title XXI funding available for demonstration expenditures is limited to the State's available allotment, not including any redistributed funds. Funds from the original allotment that are retained by the State after redistribution to other states are available for this demonstration. Should the State expend its available allotment, no further enhanced Federal matching funds will be available for the costs of this demonstration population until the next allotment becomes available. Title XIX Federal matching funds will be provided if the title XXI allotment is exhausted."

With:

"Minnesota will be subject to a limit on the amount of Federal Title XXI funding that the state may receive on demonstration expenditures during the waiver period. Federal Title XXI funding available for demonstration expenditures is limited to the State's available allotment and redistributed funds. Funds from the original allotment that are retained by the State after redistribution to other states are available for this demonstration. Should the State expend its available allotment and redistributed funds, no further enhanced Federal matching funds will be available for the costs of this demonstration population until the next allotment becomes available. Title XIX Federal matching funds will be provided if the title XXI allotment is exhausted."